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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/181,658	10/29/1998	PATRICK SAVAGE	CIT10113	1156
27510	7590	02/03/2006	EXAMINER	
KILPATRICK STOCKTON LLP 607 14TH STREET, N.W. WASHINGTON, DC 20005			HARBECK, TIMOTHY M	
			ART UNIT	PAPER NUMBER
			3628	
DATE MAILED: 02/03/2006				

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No. 09/181,658	Applicant(s) SAVAGE ET AL.	
	Examiner Timothy M. Harbeck	Art Unit 3628	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 28 November 2005.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☐ Claim(s) 1, 4-6 and 9-57 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1, 4-6 and 9-57 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1, 4, 9-16, 38-41, 50-57 are rejected under 35 U.S.C. 103(a) as being unpatentable over Saville ("Defining: CONVERGENT BILLING & CUSTOMER CARE," A Telecommunications Industry White Paper, Spring 1997) in view of Steven Martin "CHECKFREE-INTEGRION TEAM TO ABSORB VISA'S ePay", Bank Technology News. New York: Aug 1998. Vol 35, Iss.8; p 22 (page 1).

Re Claims 1 and 50: Saville discloses a method and a system of combined billing for at least one customer on a plurality of customer accounts (SEE Saville page 1, line 13, "the benefits of convergent billing – a single consolidated bill"), comprising: receiving account data for the plurality of customer accounts electronically from time to time by a service provider from each of a plurality of billers (SEE Saville page 1, lines 19-20, "capturing customer generated events"), automatically calculating account charges for the plurality of customer accounts from the account data (SEE Saville page 1, line 20, "calculating the bills") aggregating the account charges for at least one customer on the plurality of customer accounts (SEE Saville page 3, lines 13-17, "provide a system for combined power, light and telephone services..."), automatically formatting a combined bill for the customer from the aggregated account charges, and

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automatically rendering the combined bill to the customer (SEE Saville page 1, line 21, "providing integrated customer care" and SEE page 2, lines 9-11, "These service providers want to offer their customers full view of all their telecommunications services" and page 2, lines 39-41, "The billing should be integrated, not just electronically "stapled to the bill"), wherein at least one of the plurality of accounts is a recurring bill account and wherein the customer continues to purchase products or services from at least one of the billers (obvious feature because if you continue to live in the same location the user will get recurring bills from the utilities such as telephone and electric) after the service provider acquires ownership of the receivables associated with the account data received (this feature is addressed below).

With further regard to claims 1 and 50 Saville does not directly teach; "acquiring ownership of receivables represented by the account data by the service provider under contractual arrangements with the plurality of billers upon receipt of the account data." The Saville system instead is silent with regards to this feature so therefore it appears to do it the traditional way which was to make the customer the one liable for the receivables (or debt) directly to each of the billers so henceforth the service provider is not providing the billers any kind of guaranteed funds, and the customer continues to be the one responsible to each of the billers. It is obvious that the billers would have viewed it as a positive thing for them to quickly transfer ownership of the receivables (or debt) to the Service Provider and let them be the one who collects from the customer over time.

Steven Martin discloses; "CheckFree will use ePay's direct debit and settlement features to offer guaranteed good funds and next day settlement to billers and consumers. Visa's joint venture with CheckFree enables Visa to combine its core strengths in the electronic payments realm with the resources of the leading electronic bill payments provider." And "CheckFree should do what it does best, which is remittance processing, and Visa should do what it does best, which is guaranteed debit and settlement." And "Kight declined to comment on whether CheckFree was pursuing a similar agreement with MasterCard."

Therefore it would have been obvious to one of the ordinary skill in the art at the time the invention was made to modify the Saville method to perform the additional step of; "acquiring ownership of receivables represented by the account data by the service provider under contractual arrangements with the plurality of billers upon receipt of the account data" as taught by Steven Martin because to do so would have quickly freed up working capital and would have helped the billers with cash flow.

Re Claim 4: The combination of Saville and Martin discloses the method of claim 1, wherein the account change is calculated by a computer application (See Saville page 3, lines 21-22, software is available for IBM AS/400).

Re Claim 9: The combination of Saville and Martin discloses the method of claim 1, wherein one of the plurality of customer accounts comprises at least one selected from the group of a recurring bill account, a retail account, a communications account, and a financial account (SEE Saville pages 9-15).

Re Claim 10: The combination of Saville and Martin discloses the method of claim 9, wherein the recurring bill account comprises at least one selected from the group of an electric account, a gas account, a cable account, a home security account and a water account (SEE Saville page 3, line 15).

Re Claim 11: The combination of Saville and Martin discloses the method of claim 9, wherein the retail account comprises at least a credit card account (SEE Saville page 4, line 39 "Retail Vendors").

Re Claim 12: The combination of Saville and Martin discloses the method of claim 9, wherein the communications account comprises at least one selected from the group of a long distance account, a local account, a wireless account, and an Internet access account (SEE Saville page 3, lines 18-19).

Re Claim 13: The combination of Saville and Martin discloses the method of claim 9, wherein the financial account comprises at least one selected from the group of an insurance account, an investments account, an auto account, a bank account statement account, an installment account, and a mortgage account (SEE Saville page 4, line 38).

Re Claim 14: The combination of Saville and Martin discloses the method of claim 9, wherein the cable services include pay television services (SEE Saville page 3, line 19).

Re Claim 15: The combination of Saville and Martin discloses the method of claim 1, further comprising automatically formatting the account charges (SEE Saville page 3, lines 21-22, "...AS/400...").

Re Claim 16: The combination of Saville and Martin discloses the method of claim 15, further comprising transmitting the formatted account charges to a bill aggregator (SEE Saville page 4, line 10, "... Transmitted...").

Re Claim 38: The combination of Saville and Martin discloses the method of claim 1, wherein rendering comprises automatically storing the formatted bill for the customer in a storage location (SEE Saville page 4, lines 13-15, "...Immediately stored...").

Re Claims 39 and 51-53: The combination of Saville and Martin discloses the method of claim 38, wherein the storage location, the aggregating means, the formatting means and the rendering means comprises a server (SEE Saville page 3, line 22, "...UNIX open system environments.." is a system architecture that uses servers)

Re Claim 40: The combination of Saville and Martin discloses the method of claim 38, further comprising transmitting the formatted bill from the storage location to a terminal (SEE Saville page 4, lines 10-12 the "end service provider" has access to data through a terminal).

Re Claim 41: The combination of Saville and Martin discloses the method of claim 40, further comprising displaying the formatted bill at the terminal by the customer (SEE Saville page 4, lines 10-12 the "end service provider" has access to data through a terminal).

Re Claims 54 and 55: Most of the limitations were already addressed above with regard to claims 1 and 50. In addition the combination of Saville and Martin teaches; entering contractual arrangements with a plurality of billers to have their

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account data for the plurality of customer accounts delivered to a service provider electronically (SEE Saville page 1, line 18, "electronic interfaces that in turn capture customers requests"), receiving the account data electronically from time to time during a billing cycle by the service provider from each of the billers, each reading out transactions one at a time to an accounts receivable computer system of the service provider (SEE Saville page 1, lines 19-20, "capturing customer generated events"), storing the account data at a customer level in a computer database of the service provider (SEE Saville page 1, line 17), automatically generating a combined bill for the customer from the aggregated account charges at a predetermined cycle time for the customer's account (SEE Saville page 3, lines 13-17 "combined power, light and telephone services" and wherein a utility pre determined cycle time is usually 1 month) automatically rendering the combined bill to the customer as a debt of the customer to the service provider as owner of the receivable represented by the combined bill (SEE Martin page 1 wherein ePay has next day settlement to billers whereby the debt of the customer is now transferred to Checkfree).

Re Claims 56 and 57: Most of the limitations were already addressed above with regard to claims 1, 50, 54, and 55. In addition with further regard to claims 56 and 57 the combination of Saville and Martin teaches a method and system of combined billing for at least one customer on a plurality of customer accounts by a financial institution, comprising: entering contractual arrangements with a plurality of billers to have their account data for the plurality of customer accounts delivered to a financial institution electronically (SEE Saville page 1, line 18, "electronic interfaces that in turn capture

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customers requests" also SEE Martin CheckFree is broadly considered a "financial institution"), periodically receiving the account data electronically during a billing cycle by the financial institution from each of the billers, each reading out transactions one at a time to an accounts receivable computer system of the financial institution (SEE Saville: page 4, lines 14 and 15"...the customer's bill cycle..." and SEE Page 1, lines 19-20), storing the account data at a customer level in a computer database of the financial institution (SEE Saville page 1, line 17 "business systems based on relational databases").

Claims 5 and 6 are rejected under 35 U.S.C. 103(a) as being unpatentable over Saville in view of Martin as applied to claims 1 and 4 above, and further in view of: "ECTC ENTERS WHOLESALE BILL PRESENTMENT ARENA", Retail Delivery News. Potomac: Oct 28, 1998 Vol. 3, iss 21; p. 1.

Re Claim 5 and 6: The combination of Saville and Martin does not specifically disclose the method of claim 4, wherein the computer application comprises a financial institution application, wherein the financial institution comprises a bank. "ECTC ENTERS WHOLESALE BILL PRESENTMENT ARENA, Retail Delivery News. Potomac: Oct 28, 1998 Vol. 3, iss 21; p. 1 teaches; "a new alliance between three unnamed banks, plans to offer bill presentment for wholesale remittance billers, a field dominated by non-bank owned entities like Checkfree (CKFR)." And "The byproduct of the formation could be a real time payment system with guaranteed funds" and "The

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proposed consortium could work with Integrion or CheckFree for the remittance processing piece of bill payment.”

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the combination of Saville and Martin method to have an additional feature of “wherein the computer application comprises a financial institution application, wherein the financial institution comprises a bank: as taught by Steven ECTC because the bank performs the same function as Visas ePay but can do it in real time instead of next day as stated by Martin and in addition One would have been motivated to use computer applications of a financial institution, such as a bank, in order to facilitate the system implementation.

Claims 17-37 and 42-49 are rejected under 35 U.S.C. 103(a) as being unpatentable over Saville and Martin as applied to claim 1 above, and further in view of Smorodinsky (US PAT 6,049,786).

Re Claims 17 and 18: The combination of Saville and Martin does not directly disclose the method of claim 1, wherein the account data comprises usage data and further comprising automatically calculating a usage charge from the usage data.”

Smorodinsky discloses such a step (SEE column 4, lines 7-9). Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to use account data automatically calculating a usage charge from the usage data in the Saville/Martin invention because one would have been motivated to include such a steps in order to increase the revenue of the system.

Re Claims 19-22: The combination of Saville / Martin / Smorodinsky discloses the method of claim 18, wherein the usage charge is calculated according to a predefined usage pricing schedule, further comprising automatically calculating a tax associated with the usage charge, wherein the tax is calculated according to a predefined usage charge tax, further comprising automatically calculating the account charge from the usage charge and the associated tax (SEE Saville page 6, lines 3-5 and SEE Smorodinsky figure 2B item 14e).

Re Claims 23 and 24: The combination of Saville and Martin does not directly disclose the method of claim 1, further comprising automatically validating the account data, wherein validating comprises automatically comparing the account data with predefined account data parameters. Smorodinsky discloses such steps (SEE Smorodinsky figure 8, "compare payments received with payments to be received"). Therefore it would have been obvious to one having ordinary skill in the art at the time the invention was made to automatically validate the account data, wherein validating comprises automatically comparing the account data with predefined account data parameters and the account charges with predefined account parameters, because one would have been motivated to use those steps in order to increase the system accuracy.

Re Claim 25: The combination of Saville / Martin / Smorodinsky discloses the method of claim 24, wherein validating further comprises automatically rejecting account data that falls outside the predefined account data parameters (SEE Smorodinsky figure

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8 "confirm or reject" one would have been motivated to use such steps in order to increase the accuracy of the validation step).

Re Claims 26, 29, and 36: The combination of Saville and Martin does not specifically disclose the method of claim 1 wherein aggregating further comprises automatically validating the account charges, and assembling the account charges and validating the aggregated account charges. Smorodinsky discloses such a step (SEE Smorodinsky figure 7, item 15 "Request/Response to Verify Biller's Account").

Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to automatically validate and assemble the account charges, because one would have been motivated to automatically validate and assemble the account charges in order to minimize the data processing cost.

Re Claims 27 and 28: The combination of Saville / Martin / Smorodinsky was found above in claims 23, 24 and 25 to read on these features.

Re Claims 30 and 31: The combination of Saville / Martin / Smorodinsky does not specifically disclose the method of claim 229, wherein at least one of the account charges relates to a credit card account, and wherein assembling comprises automatically calculating at least one selected from the group of a fee and a finance charge associated with the credit card account charge and wherein assembling further comprises automatically calculating a credit card account payment due amount from the credit card account charge and at least one selected from the group of the fee and the finance charge. Official notice is taken that those steps are well known within the art and were in use in the credit card industry at the time the invention was made.

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Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to use those steps, because one would have been motivated to include those steps in order to save time and cost in the data processing.

Re Claims 32-35: The combination of Saville / Martin / Smorodinsky discloses the method of claim 29, wherein assembling further comprises automatically calculating a discount associated with the assembled account charges, wherein the discount is calculated according to a predefined discount schedule and wherein assembling further comprises automatically calculating a rebate amount associated with the assembled account charges and a reward amount associated with the assembled account charges (SEE Saville page 2, lines 38-43 "...and discounting...")

Re Claim 37: The combination of Saville and Martin does not disclose the method of claim 1, wherein the formatted bill comprises an electronic mail message. However Smorodinsky discloses such a step (Column 2, lines 34-37). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to transmit the bill electronically in the combination of Saville/Martin, because one would have been motivated to transmit the bill electronically in order to increase the speed and efficiency of the billing method.

Re Claims 42-48: The combination of Saville / Martin / Smorodinsky does not specifically disclose transmitting, processing, or adjusting an inquiry, request, or order of the customer regarding at least one of a customer accounts or a recurring bill account. Official notice is taken that those steps are well known within the art and were in use in the billing services at the time the invention was made. Therefore, it would have been

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obvious to use those steps, because one would have been motivated to include those steps in order to increase the service quality.

Re Claim 49: The combination of Saville and Martin do not specifically disclose the customer paying the bill. Smorodinsky discloses such a step in figure 8, 53c. Therefore it would have been obvious to one having ordinary skill in the art at the time the invention was made to include the customer paying the bill in the Saville/Martin invention, because one would have been motivated to include such a step in order to optimize the service quality through the integration of the payment procedure.

Response to Arguments

Applicant's arguments filed 11/28/2005 have been fully considered but they are not persuasive. Applicant maintains that neither Saville or Martin disclose or teach the step of "receiving account data electronically from time to time from billers and acquiring ownership of the receivables associated with the account data upon receipt of the account data from the billers and wherein at least one of the accounts is a recurring bill account." However Saville clearly shows receiving account data electronically (explicitly disclosed Page 2 line 39-41) from time to time and wherein at least one of the accounts is a recurring bill account, by mentioning that one application of the convergent billing would be for a combined power, light and telephone service (Page 3, lines 13-17). As state in the previous Office Action, utilities such as these are billed on a recurring basis (usually monthly), so long as the customer stays at the same location. This is how utility billing has operated for years and would clearly be obvious to anyone skilled in the ordinary art.

As for the feature of "acquiring ownership of receivables represented by the account data by the service provider under contractual agreements with the plurality of billers," the examiner has used the teachings of Martin in combination with the Saville reference for the rejection of this feature. The applicant first argues that the examiner has contradicted his self by stating that being silent on an issue renders the disclosure unobvious. Examiner however believes that the opposite is true. Something that is obvious does not necessarily need an explanation, as it would be clear to someone skilled in the art to do so without explicitly stating so. Silence does not equate to unobviousness. It does, however raise questions as to the motivation to combine, in this case the Saville reference with the Martin teachings, which will be later addressed.

Continuing with the argument, Martin discloses the merger of the CheckFree system with ePay; which will offer guaranteed good funds and next day settlement to billers. Essentially what this means is that the CheckFree/e-Pay system will guarantee payments to merchants and therefore acquire ownership of their customer's receivables, for future collection. The system acts as a middleman or escrow service in order to provide some insurance to both parties. Regardless, at some point in the process the system will have acquired ownership of the receivables even if only for a very short time.

The examiner has further included the motivation to include this teaching to the Saville reference in order to free up working capital and assist the biller with their cash flow. Applicant has stated that this is a mischaracterization of the Martin reference. However it is explicitly stated that a motivation of the Miller system is to offer

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guaranteed good funds to merchants (billers) which would, as stated in previous office actions, assist the billers with their cash flow as it provides a more concrete picture of cash flows as opposed to a floating number based on potential defaults.

Applicant further states that the Miller teaching is improper because there is no receivable, only a cash transaction, however a receivable is simply money owed a business and could very easily involve a cash transaction.

In summary, examiner believes that there is both evidence, cited in the Martin reference of "acquiring ownership of the receivables associated with the account data upon receipt of the account data from the billers," as well as proper motivation to combine this teaching with the Saville reference. Therefore the rejection is maintained.

Furthermore the examiner would like to conclude that any system involving convergent billing, such as Saville, would very possibly include the "acquiring of ownership of receivables associated with the account data," since the customer only sends one bill, encompassing many debts, to one location. Once this single bill is sent, the receiving party has essentially acquired ownership of the receivables. While the examiner believes this to be true, the Martin reference more clearly shows (and therefore was applied in the rejection) that the "middle" party to the transaction has already guaranteed the funds to the merchant and therefore recoups this debt via the single bill.

Conclusion

THIS ACTION IS MADE FINAL. Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).


A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Timothy M. Harbeck whose telephone number is 571-272-8123. The examiner can normally be reached on M-F 8:30-5:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung S. Souh can be reached on 571-272-6799. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

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